

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or)	
Revocation of the Licenses to Conduct)	
Gambling Activities of:)	No. CR 2011-01584
)	
Blinker Tavern,)	NOTICE OF ADMINISTRATIVE
Kent, Washington,)	CHARGES AND OPPORTUNITY
)	FOR ADJUDICATIVE PROCEEDING
Licensee.)	
_____)	

I.

The Washington State Gambling Commission issued Blinker Tavern, organization number 00-06885, the following license:

- Number 05-02969, Authorizing Class "D" Punchboard/Pull-Tab activity.

The license expires on September 30, 2012, and was issued subject to the licensee's compliance with state gambling laws and regulations.

II.

David Trujillo, Deputy Director of the Washington State Gambling Commission, charges the licensee with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

- 1) On October 18, 2011, a warning letter was sent to Blinker Tavern regarding their failure to pay delinquent Department of Revenue taxes in excess of \$40,000. The licensee avoided administrative charges by entering into a repayment program and has been compliant with the repayment agreement.
- 2) On December 2, 2011, Commission staff received an affidavit from the City of Kent indicating that Blinker Tavern failed to make required gambling tax payments for the third and fourth quarters of 2009, the first, second, and third quarters of 2010, May 2011 and September 2011. The affidavit further states that the amount of gambling taxes owed for September 2011 cannot be accurately calculated because Blinker Tavern also failed to submit the required gambling tax return to the city.
- 3) The affidavit provided to Commission staff on December 2, 2011, documents the City's attempts to collect the past due gambling taxes due, as follows:
 - On February 10, 2010, a collection notice was sent to Blinker Tavern by the City of Kent informing it that the gambling taxes from third and fourth quarters 2009 had not been received.

- On February 23, 2010, a notice was sent from Commission staff informing Blinker Tavern that staff was aware of the delinquent gambling taxes. The notice warns that failure to pay required gambling taxes may result in suspension or revocation of its gambling license.
- On April 5, 2010, a notice was sent from Commission staff informing Blinker Tavern that the Commission had again been contacted by the City of Kent regarding the delinquent gambling taxes. The notice warns that failure to pay required gambling taxes may result in suspension or revocation of its gambling license.
- On October 5, 2010, a collection notice was sent to Blinker Tavern by the City of Kent informing them that the gambling taxes from first and second quarters 2010 had not been received. The notice provided a 30-day deadline for the delinquent payment to be made.
- On December 8, 2010, a notice was sent to Blinker Tavern by the City of Kent. The notice stated: "Due to the ongoing delinquencies of your Gambling Taxes since 2009, with accumulated Gambling Tax debt of over \$12,547.27 (amount excludes 3rd and 4th quarters 2010), you are hereby required to report Gambling Taxes monthly, to the City of Kent, along with remittance, starting with January 2011 activity."
- On March 3, 2011, a collection notice was sent to Blinker Tavern by the City of Kent, informing them that the gambling taxes from third quarter 2010 had not been received. The notice provided a 30-day deadline for the delinquent payment to be made.
- On September 6, 2011, a notice was sent to Blinker Tavern by the City of Kent, informing them that gambling taxes were due from the third and fourth quarters 2009, the first, second, and third quarters 2010, and May, June 2011 and July 2011. This notice states, "If you fail to comply with the requirements set forth above, this office will file a petition with the Gambling Commission to revoke your license."

4) As of January 24, 2012, these delinquent taxes had not been paid, and the issue has been turned over to a collection agency.

5) The licensee's failure to pay local gambling taxes to the City of Kent demonstrates its willful disregard for complying with local ordinances. Therefore, grounds exist to suspend or revoke Blinker Tavern's licenses under RCW 9.46.075 (1) and (8) and WAC 230-03-085(1), (3) and (4).

RCW 9.46.075 provides that the commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein:

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control;

(8) Fails to prove, by clear and convincing evidence, that he, she or it is qualified in accordance with the provisions of this chapter;

WAC 230-03-085 (1), (3), and (4) Denying, suspending, or revoking an license or permit

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.

(4) Has failed to pay gambling taxes to local taxing authorities and the local taxing authority has petitioned us to take action.

///

///

///

///

///

///

///

///

///

///

///

///

///



I hereby certify that I have this day served a copy of the document upon all parties named in the proceeding by mailing a copy thereof, properly addressed to each party, by regular and certified mail to each party to the proceeding or to his or her attorney or authorized agent.

Dated at Olympia, Washington this _____ day of _____

Washington State Gambling Commission
Communications and Legal Department

STATE OF WASHINGTON)
COUNTY OF THURSTON)

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

In order to have a hearing or discuss settlement options, the enclosed REQUEST FOR HEARING must be COMPLETED AND RETURNED to the Gambling Commission *within 23 days* from the date of the mailing of this notice.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

David Trujillo
DAVID TRUJILLO, DEPUTY DIRECTOR

Michelle F. Rancure
NOTARY PUBLIC in and for the State of
Washington residing at: Thurston County
My commission expires on 10-19-15

Dated at Olympia, Washington this 30 day of January 2067

A circular notary seal for Michelle F. Rancour. The outer ring contains the text "MICHELLE F. RANCOUR" at the top and "STATE OF WASHINGTON" at the bottom. Inside this ring, the words "COMMISSION EXPIRES" are at the top and "NOTARY PUBLIC" is at the bottom. In the center of the seal, the date "10-19-15" is printed.